

In the interest of resolving this matter, and avoiding the expense of further litigation, and as a result of having engaged in comprehensive settlement negotiations, the Commission and First Student have agreed that this action should be finally resolved by entry of this Consent Decree.

It is ORDERED, ADJUDGED AND DECREED:

1. This Decree resolves all claims arising out of the issues between the Commission and Defendant First Student in this lawsuit including, without limitation, back pay, compensatory and punitive damages, and injunctive relief. This decree is limited in its scope to matters covered explicitly herein and in particular only First Student employees and facilities in the State of Mississippi. This Decree expires when First Student has provided the relief and taken the action provided for herein, or as provided under Paragraph 15 of this Decree, whichever is later.
2. Defendant and its officers, agents, employees, successors, and assigns, both at the time that this Decree becomes effective and for the duration of this Decree, agree to comply with Federal law and acknowledge that it is unlawful to: (a) discriminate against any employee on the basis of race; (b) harass any employee based on race; and (c) retaliate against any employee because he or she: (i) opposes or opposed discriminatory practices made unlawful by Title VII; (ii) files or filed a charge of discrimination or assists, assisted, participates, or participated in the filing of a charge of discrimination; or (iii) assists, assisted, participates or participated in an investigation or proceeding brought under the federal laws prohibiting discrimination or retaliation; and (d) alter the terms and conditions of any employee's employment because of sex or complaints of sexual harassment.

MONETARY RELIEF

3. First Student shall pay, by check or money order, the total amount of \$20,224.00 within ten (10) days from the date of the entry of this Decree, to Orlando Hill (as identified separately to First Student by EEOC) and First Student will not condition the receipt of individual relief on Orlando Hill's agreement to (a) maintain as confidential the terms of this Decree, or (b) waive her statutory rights to file a charge with any federal or state anti-discrimination agency. First

Student will issue applicable United States Internal Revenue Service Forms to Orlando Hill for all such payments on or before January 31, 2007.

4. The payment and related correspondence provided for in paragraph 3 of this Decree shall be mailed directly by First Student or its attorneys to the EEOC's Regional Attorney, C. Emanuel Smith, at the Birmingham District Office, 1130 22nd Street South, Suite 2000, Birmingham, Alabama, 35226.

OTHER RELIEF

5. Defendant will develop and carry out policies, practices, and training for any employees at all facilities in Mississippi during the pendency of this Decree that prevent employment practices which discriminate on the basis of race.

6. First Student shall use its best efforts to ensure that employees (including temporary employees) are not subjected to any racial discrimination. First Student shall institute and carry out policies, practices, and programs which provide equal employment opportunities for employees regardless of their race and which policies, practices, and programs eradicate the effects of First Student's past and present unlawful employment practices. Such best efforts shall include, but not be limited to, strictly enforcing anti-discrimination measures implemented by First Student pursuant to this Consent Decree. The policies, practices, and training implemented by First Student shall be of a kind and quality to assure a work environment free from race discrimination, racial harassment and retaliation, shall allow employees to raise concerns or complaints, without retaliation, about matters, whether alleged, perceived or actual, made unlawful by Title VII, and shall guide, direct and encourage employees to report incidents of race based discrimination and harassment.

7. Defendant will develop and adopt policies that include, at a minimum:

a. A clear and strong commitment to a workplace free of race discrimination, harassment and retaliation;

b. A clear and strong message of encouragement to persons who believe they have been discriminated against to come forward;

c. A description of the consequences, up to and including termination, which will be imposed upon violators of the policy;

d. An assurance of non-retaliation for persons who believe they have been discriminated against and for witnesses who believe they witness discrimination;

e. That discrimination on the basis of race by anyone, including management officials, supervisors, vendors, suppliers, third parties and customers, is prohibited and will not be tolerated;

f. Assurances that Defendant will investigate allegations of race discrimination, harassment and retaliation promptly, fairly, reasonably, effectively and as confidentially as possible under the circumstances, by appropriate investigators and that appropriate corrective action and appropriate follow-up will be taken by Defendant to make victims whole and to eradicate the discrimination;

g. That information will be provided each employee regarding the employee's right to file a charge of discrimination with the EEOC, including contact telephone numbers, TDY/TDD and addresses for the EEOC.

8. Within sixty (60) days following the entry of this Consent Decree, Defendant will provide training to Mississippi assigned employees as described below. The training Defendant provides at its Mississippi facilities or to its Mississippi assigned employees shall explain: (1) what constitutes race discrimination, retaliation, and harassment; (2) that Title VII prohibits this misconduct; (3) how to prevent this misconduct; (4) to whom employees may complain if they feel they have been subjected to this misconduct; and (5) that managers will be evaluated on their enforcement of First Student's anti-discrimination policies. This training will also include an explanation of First Student's policies regarding race discrimination, harassment and retaliation; the importance of maintaining an environment free from race discrimination and harassment; and the discipline that may be taken against other employees and the managers or supervisors who are found to have allowed the discrimination, harassment or retaliation to occur. Pursuant to this Decree, First Student will also conduct the same or similar training at intervals of approximately

twelve (12) months during the pendency of this Decree at any Mississippi facilities.

a. When conducted, the annual training session shall be at least two (2) hours in length, plus an additional thirty (30) minutes for questions and answers. Defendant's Mississippi management staff, including all managers who may investigate employee complaints, shall attend the annual training session together with all hourly and salaried employees. The employees who are unable to attend the annual training session may watch a videotape of it.

b. Employees shall sign a registry when they attend the annual training session or watch the videotape of the annual training session. Defendant shall keep, for the duration of the Decree, this written record of all employees who attended the annual training session or watch it on videotape. First Student agrees to provide the EEOC with any and all copies of pamphlets, brochures, outlines or other written materials provided by First Student to the participants of the training sessions. Acceptance or review of these materials by EEOC shall not constitute approval of any of said materials, but will be retained for compliance purposes.

c. First Student shall provide to the EEOC in writing within five (5) business day before the training sessions begin, a listing by payroll number of all current employees at the location, including management, union and temporary employees as of the date of the training. After the training sessions have occurred, First Student shall certify to the EEOC in writing that the training has taken place and that the required personnel have attended. Such certification shall include: (i) the dates, location and duration of the training sessions; and (ii) a copy of the registry of attendance, which shall include the payroll number of each person in attendance.

9. First Student will immediately post its EEO policies in a prominent location, frequented by employees, at each of Defendant's facilities in Mississippi. These policies shall also be distributed to each current employee within thirty (30) days of posting as required herein and distributed to all new employees when hired.

10. Defendant shall promptly and appropriately investigate all complaints of race discrimination, harassment or retaliation made by its employees. The investigation must include a finding of whether discrimination occurred; a credibility assessment; interviews of all potential

victims and witnesses identified; and concurrent notes of the investigation. Defendant shall take immediate appropriate corrective action to make discrimination victims whole, to discipline violators, and to eradicate the discrimination. Defendant, if corrective action was required as a result of the investigation, shall follow up with complainants at appropriate intervals to ensure that the harassment, discrimination and retaliation do not reoccur. Defendant shall provide notice to EEOC of the resolutions of complaints of race discrimination, harassment or retaliation during the pendency of this Decree. That notice shall describe the investigation and the resolution and shall be provided within six (6) months of the initial complaint.

11. Defendant, First Student, shall not divulge, directly or indirectly, to any employer or potential employer of Orlando Hill, any of the facts or circumstances related to the charge of discrimination against Defendant First Student, or any of the events relating to Orlando Hill's participation in the litigation of this matter.

NOTICE

12. Defendant will post the Notice attached as Attachment A at each of Defendant's facilities in Mississippi. The Notice will be posted in a highly visible location frequented by employees, for a period of at least one year. The Notice shall be posted in both English and in Spanish, and shall be the same type, size, and style as Attachment A.

13. First Student shall provide a copy of the Notice, and an indication of the date(s) and location(s) of its posting, to the Regional Attorney, EEOC's Birmingham District Office within ten (10) days of the posting. First Student shall permit a representative of the EEOC to enter First Student's premises at any location in Mississippi for purposes of verifying compliance with this paragraph at any time during normal business hours with, one day prior notice. First Student shall take all reasonable steps to ensure that the posting is not altered, defaced or covered by any other material. Should the posted copies become defaced, removed, marred, or otherwise illegible, Defendant agrees to re-post promptly a legible copy in the same manner as heretofore specified.

14. The EEOC and First Student shall bear their own attorneys' fees and costs incurred in

this action up to the date of entry of this Decree.

FORCE AND EFFECT

15. The duration of this Decree shall be thirty-six (36) months from its entry. This Court shall retain jurisdiction over this action for the duration of the Decree, during which the Commission may petition this Court for compliance with this Decree. Should the Court determine that defendant has not complied with this Decree, appropriate relief, including extension of this Decree for such period as may be necessary to remedy its non-compliance, may be ordered. Absent extension, this Decree shall expire by its own terms at the end of thirty-six (36) months from the date of entry, without further action by the Parties.

16. The parties agree to the entry of this Decree subject to final approval by the Court.

THIS THE 31st DAY OF January, 2007.

s/ HENRY T. WINGATE
CHIEF UNITED STATES DISTRICT JUDGE

APPROVED AND CONSENTED TO BY:

/s/ Tom Secrest /s/ Audrey Adams

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EQUAL EMPLOYMENT
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Consent Decree
Civil Action No. 3:06-cv-539-HTW-LRA